VZCZCXYZ0001 PP RUEHWEB

DE RUEHME #3659/01 3641435
ZNR UUUUU ZZH
P 301435Z DEC 09
FM AMEMBASSY MEXICO
TO RUEHC/SECSTATE WASHDC PRIORITY 9596
INFO RUEHXC/ALL US CONSULATES IN MEXICO COLLECTIVE
RUEHGV/USMISSION GENEVA 1185
RUEAIIA/CIA WASHINGTON DC
RUCNDT/USMISSION USUN NEW YORK 0392
RHEFDIA/DIA WASHINGTON DC
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC
RHMFISS/HQS USNORTHCOM
RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC
RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

UNCLAS MEXICO 003659

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: PREL PGOV PHUM PINR UN MX

SUBJECT: AGUASCALIENTES TACKLES SECURITY AND ECONOMIC CHALLENGES WITH RELATIVE SUCCESS

11. (SBU) Summary: Poloff traveled to Aguascalientes, Aguascalientes to assess the political, economic, and security situation in the state by talking with a number of legislators, officials from the state government, members of the state human rights commission, prominent business people and leaders of the academic sector. Located on the western side of the Mexican highlands, Aguascalientes is one of the wealthiest but smallest states in Mexico. Locals promote the state by highlighting its prospects for investment and employment even though it has been hit hard by the economic downturn. Migration is one of its major problems, especially for the marginalized segment of the population. Neither organized crime nor human rights concerns figure as prominently as in other states. Recent mid-term elections left the state's political alignment intact. Officials cooperate well with the federal government, which is crucial in tackling a variety of challenges including insecurity and unemployment. End Summary.

Political Landscape

- 12. (SBU) Political power in Aguascalientes is divided between Mexico's two leading political parties with the right-leaning National Action Party (PAN) leading the state government but with the Institutional Revolutionary Party (PRI) holding a majority of the seats in the state legislature (14 of 27). Of the smaller parties, Convergencia has control of two seats while the Green Party of Mexico and the Democratic Revolutionary Party (PRD) are bit players with one seat a piece -- not enough to give them much bargaining power. Even though PRI won a majority in the local congress and big victories in the midterm elections nationally, the party only won two out of six seats assigned to Aguascalientes in the Federal Chamber of Deputies while PAN won the remaining four.
- 13. (SBU) Local politicians and academics predict close races for the upcoming 2010 elections for Governor, the state legislature, and municipalities. PRD is not a real player in the state but its leaders are discussing a possible alliance with other leftist parties including the Labor Party (PT), Convergencia, and possibly PVEM and PANAL in a bid to win some of the votes traditionally cast for the PRI. It is likely that PRI's candidate for

governor will be Senator Carlos Lozano de la Torres, who scores high approval ratings. Given recent electoral trends in other states, PRI has a real chance to claim the governorship of the state.

Ongoing Migration Problem

14. (SBU) Migration to the U.S. remains a major challenge for Aguascalientes. The State Secretary of Government, Juan Angel Perez, told Poloff that the government estimates that each day 13 people from Aguascalientes try to make their way to the U.S. In August 2009, 300 former residents of Aguascalientes were deported from the U.S. Most of the emigrants hail from Calvillo, a municipality located in the southwestern part of the state; San Antonio, Texas and Kansas prove the most popular destinations. Ironically, Calvillo is one of the most prosperous municipalities in Aguascalientes, suggesting residents' reasons for emigrating may have more to do with family ties than economic factors.

Economic Development

15. (SBU) State government officials repeatedly stressed their commitment to improve economic conditions. David Cisneros, Undersecretary for Promotion and Services, told Poloff that the government seeks to expand business, promote railroad investment and increase highway development. The state is taking steps to improve

infrastructure, as it is strategically located inside the triangle that connects the three most populous areas in the country: Mexico City, Guadalajara, and Nuevo Leon. Humberto Moro, Director General for Projects and Infrastructure, told Poloff that the Secretariat of Economy would like to consolidate and expand Aguascalientes' tourism industry. The government is planning to build a resort which will attract foreign retirees. One of the most modern stadiums, "Victoria Stadium," opened in Aguascalientes in 2003.

- 16. (SBU) State Secretary of Government Perez also stressed that Aguascalientes has a well-developed labor market since the state has not suffered a strike in more than 30 years. Noting the state's strong economic policies and respect for the rule of law, Perez said that with good governance Aguascalientes maintains an excellent investment environment and a high standard of living for its inhabitants. Representing USD 200 million in investment, the headquarters of Nissan in Mexico is located in Aguascalientes. There are several projects in development such as the construction of the newest and most modern World Trade Center in Mexico, four shopping malls, and two theme parks. Agriculturally, the state is known for its production of "guavas"; around 80 percent of the exports of this fruit go to the U.S.
- 17. (SBU) Secretary of Social Development, Beatriz Canizo, told Poloff that the state government is working to develop marginalized communities, lessen reliance on remittances, and improve the quality of its citizens' lives through the implementation of certain programs such as "Hagamoslo Juntos" (Let's Do it Together), a program aimed at teaching skills such as home repairs. Another program she pointed out is called "Impulsa," which gives loans to small businesses. Canizo also highlighted "Justicia Para Todos" (Justice for All), a program that provides free legal services for the poor, and the Secretariat's free courses on dressmaking, hair cutting, carpentry, and other home economic skills.

- 18. (SBU) Secretary of Public Secretary, Rolando Hidalgo, told Poloff the primary security issues in Aquascalientes are extortion and abuse of authority. Thanks to cooperation with the army, he said organized crime is no longer a major problem in the state, and the citizens of Aguascalientes generally support the military's engagement on security issues. Poloff heard from several contacts during the visit satisfaction with Hidalgo's performance. Hidalgo maintained that his agency has complied fully with its commitments under the Public Security National Agreement signed in August 2008. Hidalgo also showed Poloff the modern C-4 command center where analysts and officials work with databases and communicate among agencies and entities to prevent and reduce crime. The C-4 strengthens surveillance activities, which helps the state prevent crimes and conduct investigations. Hidalgo assured Poloff that Aquascalientes shares strategic information with Plataforma Mexico, a nationwide public security system promoting regional and national coordination.
- 19. (SBU) Hidalgo highlighted that under the current administration, in coordination with the Mexican army, the state Public Security Secretariat had undertaken 1,167 operations in which they detained 414 alleged criminals including 59 members of eight different gangs involved in organized crime. Hidalgo boasted that state forces had also secured the release of eight kidnapping victims and recovered 71 stolen vehicles. Hidalgo maintained that the state continues to strengthen police entry requirements and vetting procedures, including physical and mental health tests. He asked whether the Embassy could provide Aguascalientes with any

assistance or training for security cooperation.

Human Rights Issues

- 110. (SBU) The State Attorney General, Edgardo Valdivia, told Poloff that his administration is committed to respecting human rights and providing assistance to crime victims. Nevertheless, officials at the State Attorney Office conceded that Aguascalientes had a long way to go to implement the 2008 justice reforms. The Academic sector represented by Rafael Urzua, Director of the Autonomous University of Aguascalientes, concurred that implementation is a long way off; academics claimed, however, that some progress has been made with adjusting the new law curricula in universities across the state.
- 111. (SBU) State Human Rights Commissioner, Omar Williams Lopez, cited gender violence, poverty, and the excessive use of force by security officials as the principal human rights challenges the state faces. Lopez lamented that rising poverty levels could exacerbate human rights concerns. He claimed that trafficking in persons was not a serious problem in the state; rather, violations involving women and children were mainly related to domestic violence. Notwithstanding this claim, a local Deputy told Poloff that the local Congress is drafting a state TIP law.
- 112. Comment: Aguascalientes is well-known for its relative wealth and high quality of life. It boasts a proud historic tradition, relative tranquility and a strong economy, but still faces challenges connected to security and migration. New private investment would help reduce immigration flows to the U.S. For now, the state relies on a positive business climate to foster economic growth and greater job opportunities. Next year's

gubernatorial race could well ride on the government's record on economic issues. End Comment.

Visit Mexico City's Classified Web Site at http://www.state.sgov.gov/p/wha/mexicocity and the North American Partnership Blog at http://www.intelink.gov/communities/state/nap/

PASCUAL